

(1985 Replacement Volume and 1989 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article 95A – Unemployment Insurance Law**

8.

(B-1) (1) IN THIS SUBSECTION:

(I) “CONTRACTOR” MEANS A PERSON WHO, FOR A FIXED PRICE OR COMMISSION, BIDS ON, ACCEPTS, OR OFFERS TO ACCEPT ORDERS OR CONTRACTS FOR PERFORMING OR SUPERINTENDING THE CONSTRUCTION, REMOVAL, REPAIR, OR IMPROVEMENT OF ANY BUILDING OR STRUCTURE PERMANENTLY ANNEXED TO REAL PROPERTY OWNED, CONTROLLED, OR LEASED BY ANOTHER PERSON; AND

(II) “FOREIGN CONTRACTOR” MEANS A CONTRACTOR ALL OR A MAJORITY PART OF WHOSE PRIMARY OPERATIONS ARE BASED HAVE TRADITIONALLY BEEN, AND CONTINUE TO BE, BASED OR HEADQUARTERED IN ANOTHER STATE AND ARE NOT CONTROLLED OR DIRECTED FROM THIS STATE.

~~(2) THE CONTRIBUTION RATE FOR AN EMPLOYER WHO IS A NEW CONTRACTOR OR FOREIGN CONTRACTOR SHALL BE THE AVERAGE OF THE RATES FOR EMPLOYEES IN THE STATE IN THE SAME EMPLOYER INDUSTRY CATEGORY AS THE CONTRACTOR.~~

(2) THE CONTRIBUTION RATE FOR A NEW EMPLOYER WHO IS A FOREIGN CONTRACTOR SHALL BE THE AVERAGE OF THE RATES FOR EMPLOYERS IN THE STATE IN THE SAME EMPLOYER INDUSTRY CATEGORY AS THE CONTRACTOR, EXCEPT THAT THE RATE MAY NOT BE LOWER THAN THE NEW EMPLOYER RATE IN EFFECT FOR THAT YEAR.

(c) (7) [An] EXCEPT FOR AN EMPLOYER WHOSE RATE IS DETERMINED UNDER SUBSECTION (B-1) OF THIS SECTION, AN employer who transfers all or part of [his] THE EMPLOYER’S operations from another state to this State and has had, in that other state, for a period of not less than three (3) years immediately preceding the transfer, the experience with benefit charges and payrolls which is required by [subsection (c)(3)] PARAGRAPH (3) OF THIS SUBSECTION shall be deemed to have met the requirements of that [subsection] PARAGRAPH for variance from the standard rate, provided the employer shall make application to the Executive Director for that treatment effective upon the transfer. The application shall include such information as will enable the Executive Director to establish an employer’s benefit ratio for that employer in the manner prescribed by [subsection (c)(4)] PARAGRAPH (4) OF THIS SUBSECTION as if the benefit charges and payrolls in another state had been paid in this State. The application shall also be verified in whatever manner as is satisfactory to the Executive Director.